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Chairman: Ms. Wensley ..... (Australia)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

Contents

Agenda item 120: Programme planning (*continued*)

Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation

Agenda item 118: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Procurement reform: definition of exigency needs

Reports of the Joint Inspection Unit

Agenda item 119: Programme budget for the biennium 1998-1999 (*continued*)

Integrated Management Information System

Other matters

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The meeting was called to order at 10.20 a.m.

Agenda item 120: Programme planning (*continued*) (A/C.5/54/12)

Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation

1. **The Chairman** invited the Committee to consider the note by the Secretary-General concerning the insertion in the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation of a new rule giving guidance to programme managers on the better implementation of regulation 5.4 (A/C.5/54/12).

2. **Mr. Sach** (Director of the Programme Planning and Budget Division), introducing the note by the Secretary-General, said that, at its fifty-third session, the General Assembly had adopted the proposed revisions to the Regulations and Rules and had requested the Secretary-General to bring to its attention appropriate revisions to the relevant rules. He pointed out that it was within the competence of the Secretary-General to promulgate the rules drawn up in accordance with the system approved by the General Assembly.

3. After examining the Secretary-General's proposals at its thirty-ninth session, the Committee for Programme and Coordination had suggested that a rule should be added that gave guidance to programme managers on the better implementation of regulation 5.4. That regulation had been revised to incorporate a requirement that the programme narratives should set out the objectives and expected accomplishments.

4. The text of the new rule was given in paragraph 4 of the note by the Secretary-General. It would be inserted after paragraph 1 (c) of rule 105.4. If the General Assembly decided to take note of the new text, the Secretary-General would promulgate it at the same time as the other revised rules, in accordance with the procedure approved by the General Assembly at its fifty-third session.

5. **Ms. Silot Bravo** (Cuba) said that, for the first time, the General Assembly had had to consider a proposed programme budget in which the expected accomplishments had been set out. It was therefore important that programme managers should be given clear guidance concerning the inclusion of that new concept in the programme and subprogramme narratives. That would involve proposing more detailed rules which could be drawn up during informal consultations. Her delegation would put forward proposals on the matter during those consultations.

6. **Mr. Ramos** (Portugal), speaking on behalf of the European Union, said that member countries of the European Union would have liked to take note of the proposed rule during the current meeting. Referring to the request made by the Cuban delegation, he said he hoped that the informal consultations on the subject would be brief.

7. **Mr. Hassan** (Nigeria), speaking on behalf of the Group of 77 and China, said that the Group would make its position known during the informal consultations.

8. **Mr. Repasch** (United States of America) said he thought that the Committee should take note of the additional subparagraph during the current meeting, since the formulation of rules was within the competence of the Secretary-General and that instructions to that effect had been given to him when the General Assembly had adopted the revisions to the Regulations and Rules. In his opinion, there was nothing to be added to the proposed text, but if other Member States wished to hold informal consultations, his delegation would participate in them. He asked the Chairman of the Committee for Programme and Coordination to make his views on the question known to the Committee.

9. **Mr. Orr** (Canada) shared the view of those delegations which wished to take note of the new rule directly during the current meeting. If some delegations were not in agreement on the proposed text, it would be preferable if they would express their reservations during a formal meeting so that they could appear in the summary record. He would also like to know the views of the Committee for Programme and Coordination.

10. **Mr. Nakkari** (Syrian Arab Republic) associated himself with those delegations which had requested the holding of informal consultations since the document contained several concepts which needed to be explained.

11. **Mr. Park Hae-yun** (Republic of Korea) said that his delegation would have liked to take note of the proposed rule during the current meeting, but that it would participate in informal consultations.

12. **Mr. Monthe** (Chairman of the Committee for Programme and Coordination) said that, while the Regulations were within the competence of Member States, the rules were within the competence of the Secretary-General. Moreover, the Committee for Programme and Coordination had requested additional information concerning the new rule to be drawn up in order to apply the concept of expected accomplishments more effectively. It seemed to him that the proposed text did not really give rise to any problems since the planning exercise implied that expected accomplishments would be formulated as clearly as possible. He would be at the disposal of Member States to provide them with any explanations they required during the informal consultations.

13. **The Chairman** said that, in response to the request made by several delegations, informal consultations, coordinated by Mr. Ahounou (Côte d'Ivoire), would be held on the agenda item.

Agenda item 118: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Procurement reform: definition of exigency needs (A/54/650*)

14. **Mr. Niwa** (Assistant Secretary-General for Central Support Services), introducing the report of the Secretary-General on the definition of exigency needs (A/54/650*), said that it cancelled and replaced the document issued under the same symbol in December 1999. A new definition of exigency needs had been drawn up in close consultation with the Advisory Committee on Administrative and Budgetary Questions (ACABQ), in accordance with General Assembly resolution 54/14.

15. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), confirmed that the document that had been submitted to the Committee was the result of lively and extensive discussions between the Advisory Committee and the Secretariat, following which the Secretariat had reissued the document to take full account of the Advisory Committee's views. He therefore recommended that the Committee should adopt the proposed definition.

16. **Mr. Darwish** (Egypt) said that his delegation had no objection to the definition of "exigency" as "an exceptional compelling and emergent need, not resulting from poor planning or from concerns over the availability of funds", but it would like to know whether such needs were attributable to a lack of resources, a lack of competence or some other reason.

17. **Mr. Hassan** (Nigeria), speaking on behalf of the Group of 77 and China, said he thought that the document made an important contribution to the definition of exigency. However, the circumstances in which exigency arose must be clearly indicated, and the Group awaited with interest the explanations which would be given in that connection in the Procurement Manual.

18. **Mr. Nakkari** (Syrian Arab Republic) supported the statements made by the representative of Egypt and on behalf of the Group of 77 and China. With regard to the definition of "exigency", his delegation would like to replace the word "planning" with the word "management" since planning generally referred to the long term whereas management consisted in rapid reaction to unforeseen circumstances and that was the meaning of the definition. He added that the words "or from concerns over the availability of funds", which were included in the definition, required clarification.

19. **Mr. Yussuf** (United Republic of Tanzania) said he thought that the definition of exigency given in the document under consideration was a good one, but not clear enough. In order to remove any ambiguity, it would be helpful if the Secretariat could give two or three examples of what it understood by "an exceptional compelling and emergent need".

20. **Mr. Ekorong A Dong** (Cameroon) subscribed to the views expressed by the representatives of the Group of 77 and China and of Egypt. The definition in itself did not pose any problem, but it was important to consider its impact on the operational level.

21. **Ms. Achouri** (Tunisia) recognized that it was difficult to identify all exigency situations that would justify a departure from the normal procedures. However, referring to paragraph 3 of the document, she would like to know in what circumstances exigency was not warranted. She pointed out that the General Assembly had requested a clear definition of exigency

so that it could exercise real control over its use. She did not think that the simple certification by the head of the substantive department concerned that there was an exigency allowed such control to be exercised, in view of the nature of the activities concerned. She therefore invited the Assistant Secretary-General for Central Support Services to provide clarification concerning the procedure governing the certification required from the head of the substantive department and any monitoring by the department responsible for procurement.

22. **Mr. Farid** (Saudi Arabia) shared the view of delegations which had requested additional explanations, including examples. In his view, the term "exigency" applied to all newly established peacekeeping operations.

23. **Mr. Niwa** (Assistant Secretary-General for Central Support Services) said that peacekeeping operations had increased spectacularly at the beginning of the 1990s and until the middle of the decade and that the Secretariat had had to deal with exigency and unforeseen needs. At the time, requests for departures from the competitive bidding process had been relatively numerous and it had appeared necessary to reform the procurement procedures.

24. Moreover, apart from the operational aspects mentioned by the representative of Saudi Arabia, which included planning the requirements, consideration should also be given to the procurement procedure, which was at the end of the process. In the context of procurement reform, the emphasis had been placed on the need to provide for needs sufficiently well in advance so that the procurement rules were respected. It should be emphasized, in that connection, that requests for a departure from the normal procedures had decreased considerably, from 15 in 1997 to 4 or 5 in 1998-1999.

25. The document under consideration stressed the fact that the decision to deal with exigencies was a management problem and that it was the responsibility of programme managers to take such a decision. Procurement was only the last stage of the process. It was planned to include in the Procurement Manual a clearer definition of the types of situations that warranted a departure from the normal procedures, the objective being to retain only cases in which needs must genuinely be met as a matter of urgency and to exclude situations attributable to poor planning or a lack of management. He was prepared to provide specific examples to delegations which requested them and explained that most of the cases related to peacekeeping operations.

26. With regard to the question of how to distinguish genuine exigency from urgent needs resulting from poor planning, he said that, although planning was essential, it was not always possible. It sometimes happened that needs that could not have been foreseen had to be met immediately. In addition to the notion of exigency, therefore, the idea of needs for which it was impossible to plan should be introduced. In any event, it was not possible to give a clearer and completely unambiguous definition of exigency since the evaluation of a situation involved an element of subjectivity.

27. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), supporting the explanation given by Mr. Niwa, cited the example of a case in which a serious deterioration of security situation made it necessary to evacuate the personnel of a peacekeeping mission without the need to respect all procurement procedures, since the slightest delay could result in physical harm or even the loss of human lives. The criteria for defining exigency would thus have been met, namely, the exceptional compelling and emergent need. Those were auditable criteria, which could be used by the auditors during their auditing missions. While recognizing that any definition was necessarily incomplete, he wished to point out that the proposed definition had been very carefully reviewed by ACABQ and was considered workable; it was in a sense a principle that could be used by the Secretariat to develop the working guidelines to be set out in the Procurement Manual. The points to be revisited could be taken up again during the consideration of procurement procedures and of the Reports of the Board of Auditors.

28. **Mr. Nakkari** (Syrian Arab Republic) reaffirmed that it was important to mention "bad management" as well as "poor planning" in the definition of "exigency". For needs to be an exigency within the meaning of the definition, it must be ascertained that their urgent character was attributable neither to poor planning nor to bad management. Moreover, the definition made no reference to the accountability of the person taking the decision. If the question of accountability was not dealt with elsewhere, it was essential to raise it in the

definition so that the definition would be complete. There should be clarification concerning the circumstances which led to the emergence of an exigency, the person who determined the urgent nature of the needs and the accountability of the official concerned (the head of the technical department or programme manager).

29. **Mr. Farid** (Saudi Arabia) referred to the extreme importance of planning in peacekeeping operations and suggested that the Logistics Base at Brindisi should be used to store equipment and provisions which might serve in an exigency. That would help to alleviate the seriousness of such situations to some degree. Moreover, he would like to know whether the Procurement Division needed to be reorganized in view of its increased responsibilities.

30. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that an excessively exhaustive definition carried the risk of mixing the definition of exigency with the operational guidelines for implementation of that definition. The definition in question was a regulatory provision, which the General Assembly was invited to adopt and for which the Secretariat would elaborate the modalities of implementation that could be communicated to Member States. He would have no difficulty, however, if the notion of management appeared in the definition, as the Syrian representative was proposing. The phrase in question would then read: "not resulting from poor planning, poor management or from concerns over the availability ...". Those elements would once again appear in the operational guidelines, which would also contain specific provisions regarding the sharing of responsibilities.

31. **Mr. Niwa** (Assistant Secretary-General for Central Support Services) concurred with the proposal of the Chairman of the Advisory Committee and said that the idea was to arrive at provisions of a regulatory nature and to provide for operational procedures, their application, the cases which did not constitute an exigency, and the mechanisms to monitor responsibility. All those elements should appear in the Procurement Manual and the elaboration of operational procedures should begin very soon. Replying to the question put by the representative of Saudi Arabia, he said that the Procurement Division was in the process of being reorganized, but that it was already able to deal with the volume of work resulting from the increase in peacekeeping operations.

32. **The Chairman** suggested that the matter should be pursued in informal consultations.

Reports of the Joint Inspection Unit (A/53/787; A/54/288 and Add.1 and A/54/635)

33. **Mr. Ouedraogo** (Chairman of the Joint Inspection Unit) said that the report before the Committee on the United Nations system common services at Geneva (A/53/787) was the latest in a series of reports which had dealt, in turn, with common services at the Vienna International Centre, in 1984, in the field, in 1994, and at United Nations Headquarters, in 1996. In those reports the Joint Inspection Unit (JIU) had consistently pursued the same objective: to encourage the organizations of the United Nations system to establish a coherent management framework, reduce their overhead costs by rationalizing their administrative structures and concentrate diminishing resources on their core constitutional mandates.

34. It was the view of JIU that Geneva was one of the duty stations where reforms should be encouraged in order to ensure greater efficiency for two reasons: Geneva was the most expensive duty station and had the highest concentration of staff, and it was a duty station where there was considerable fragmentation and duplication. In its report, JIU made three recommendations, including a recommendation to establish a ten-year plan that would operate from three centres. That measure, combined with the judicious use of information technologies, would make it possible to achieve a considerable reduction in administrative costs.

35. He noted with satisfaction that the Secretary-General and the Administrative Committee on Coordination (ACC) approved the recommendations of JIU (A/635, paras. 14 to 17). He pointed out, however, that Member States would have to show their resolve within the decision-making organs of each organization if the recommendations were to be implemented, and he noted that the Office of Internal Oversight Services had come to the same conclusion in paragraph 128 of its report on the review of common services (A/54/157).

36. The Joint Inspection Unit recommended that the General Assembly should adopt a resolution encouraging the Secretary-General and ACC to take

practical steps to enhance common services and inviting other organizations to do the same, and he welcomed the efforts that had already been made in that direction by the Secretariat.

37. With regard to the report of JIU on the review of ACC (A/54/288), he noted that it was the first time that ACC had been reviewed by an independent oversight body accountable to the Member States. The Secretary-General and ACC had, moreover, welcomed the conclusions of JIU (A/54/288/Add.1). In its report, JIU emphasized that the members of ACC should fully assume their role, while preserving the leadership role of the Secretary-General as statutory Chairman of the Committee. The Administrative Committee on Coordination should continue to demonstrate its relevance, in particular by developing guidelines to enable the system to respond rapidly and adequately. As the Economic and Social Council and CPC had often stated, ACC should take more action-oriented decisions and underline activities for which the secretariats were responsible.

38. The Joint Inspection Unit had considered the measures taken by ACC in the field of information. While it understood the objectives of the creation of the Executive Information network, it believed that a project of that type would have to be approved in advance by the competent governing bodies. Although all United Nations organizations had established Web sites and an Intranet, which should help to throw light on the efforts made to ensure better coordination throughout the system, ACC had not always been able to demonstrate the role it played in that regard. Moreover, while it was laudable to wish to become more visible to civil society, it was important that the information provided on the Web sites should be posted in several languages, as was the case with printed documents. Table 1 of the JIU report clearly showed that the practices of United Nations organizations left much to be desired on that point. For example, for non-English-speaking users from countries where poverty eradication was of great importance, it was a matter of concern that two of the most active organizations in that field — the United Nations Development Programme (UNDP) and the World Bank — posted on-line information on their programmes only in English.

39. The report of JIU on ACC had been considered by the Economic and Social Council which, in its resolution 1999/66, had taken note with satisfaction of the report and of the related comments of the Secretary-General and ACC. The Council had invited ACC to report, in the framework of its reporting process to the Council, on its discussions on the recommendations of JIU. It had also invited ACC to pay particular attention, in its annual report for 1999, to the progress made towards a system-wide management of information and the role of the Information Systems Coordination Committee (ISCC), in accordance with JIU recommendation B.1. The General Assembly had made the same request on the basis of the comments of ACABQ concerning the budget of ISCC.

40. Recommendations C.1 to C.4 were of particular relevance to the General Assembly as the central coordinating legislative body. In paragraphs 95 to 104 of its report, in which it considered the cost of coordination, JIU recognized that that cost was not always easy to assess, but it believed that the legislative bodies should argue for more transparent and complete reporting on the financial implications of their organization's participation in the coordination process. As indicated in paragraphs 99 and 100, the shares of each organization in the budgets of the jointly financed secretariats were agreed upon by the members of ACC on the basis of two cost-sharing formulas. Owing to the need to secure full funding for the costs of their activities, those arrangements, which were decided upon by the secretariats without any legislative supervision, were just as much a commitment for Member States as was the scale of assessments for the overall budget of each individual organization. For that reason, JIU recommended that the budgets for those secretariats should be submitted to the General Assembly for approval, after consideration by ACABQ, in the same manner as the budgets of JIU and the International Civil Service Commission (ICSC), it being understood that the share of each organization would continue to appear in its programme budget.

41. **Mr. Fareed** (Director of the Office for Inter-Agency Affairs), introducing the note by the Secretary-General (A/54/288/Add.1) containing the comments of the Secretary-General and ACC on the report of JIU on the review of ACC (A/54/288), said that the inspectors and the members of ACC had worked very closely together throughout the extensive process. In their comments, the members of ACC stated that the JIU report was timely in view of the ongoing reforms within the United Nations system and within ACC itself. In their view, the report offered a balanced

assessment of the evolution of ACC and highlighted the spirit of cooperation that currently guided its operation. The reforms under way in ACC were an integral part of the reforms taking place throughout the United Nations system and were designed to strengthen system-wide activities, enhance their impact and promote closer inter-agency cooperation in the pursuit of the common goals of Member States.

42. With regard to the functioning of ACC, the inspectors took into account in their report the initiatives already taken by ACC and its subsidiary organs and the ongoing reforms in a number of areas; in other areas, they made recommendations of which ACC had taken note. For example, he pointed out that, since 1999, the members of ACC had adopted an annual programme of work focusing on themes which lent themselves to system-wide consideration and which, because they had an impact on the work of their respective organizations, contributed to the work of intergovernmental bodies, characteristics that met the concerns of JIU. Moreover, since the autumn of 1998, ACC had been systematically considering the question of globalization and it would continue to do so until its session in the autumn of 2000, with a view to reflecting on ways to maximize its advantages. That process was extremely useful in that it allowed the members of ACC to gain a greater understanding of the demands placed on national and international systems by the new global environment. The process had highlighted the leadership role of the Secretary-General, generated a sense of unity of purpose within ACC and reinforced the specific mandate of each organization, while giving rise to a dialogue on the policies to be followed and on the specific action to be taken.

43. Those achievements owed much to the active role played by the subsidiary organs. Since the establishment of a secretariat for ACC, there had been greater coherence in the work of its main standing bodies. The consultations which had been undertaken recently between the secretariats of the committees had created a new dynamic that was enhancing their efficiency and avoiding duplication. The members of ACC believed that the recommendations of JIU concerning its subsidiary organs were on the whole helpful.

44. The management of information was one point on which there might be some divergence of views. The Administrative Committee on Coordination recognized the importance of coordination in the management of information systems and had decided to review both its strategy and the functions of ISCC. In view of the rapid evolution of technology and information needs, it might be unrealistic to aspire to a more centralized system of information management and development. What was important was that the members of ACC should adopt similar approaches to such issues as a system identity, the creation of thematic linkages and means of access to the system by Member States. With regard to the Executive Information network, he said that it was a simple mechanism to enable the executive heads of the secretariats to communicate with each other directly.

45. Some aspects of the recommendations of JIU concerning the interaction between ACC and intergovernmental organs were of particular importance to Member States. As indicated in the note by the Secretary-General, the intensification of exchanges between ACC and those organs, in particular the Economic and Social Council, had been greatly facilitated by the revitalization of the United Nations in the economic and social fields. In turn, the new spirit of consultation and cooperation in ACC and throughout the system should serve to reinforce the process of renewal in the Council. In the new environment, it was possible to improve coordination at several levels: within the system, at the inter-agency and intergovernmental levels and between Member States. The theme of poverty eradication, which had dominated United Nations conferences in the 1990s, was an excellent example; it had been one of the main topics of discussion in the Economic and Social Council in 1999 and had aroused great political and institutional interest at all levels.

46. The reforms which had been undertaken had gone a long way towards the achievement of greater policy coherence and functional complementarity within the United Nations system. The executive heads were committed to seeking further improvements in that area and had recently appointed a team of eminent personalities to review the role and functioning of ACC and its subsidiary machinery with a view to improving their effectiveness, structures and methods of work. The team, which had greatly benefited from the analyses appearing in the report of JIU and the comments of the Secretary-General and ACC, would present its recommendations to ACC at its first regular session of 2000, in Rome at the beginning of April.

The members of ACC were fully aware of the need for change in a world which was constantly evolving.

47. Referring to the encouragement which the Economic and Social Council had given to ACC in paragraphs 2 to 4 of its resolution 1999/66, he said that the members of ACC had also been very much aware of the efforts made by JIU to present a balanced view of the functioning of ACC. The fact that the report included a number of recommendations and observations which were familiar to them could only encourage them to pursue with renewed energy the reforms which they themselves had undertaken.

48. **Mr. Ramos** (Portugal), speaking on behalf of the European Union, the associated countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovenia and Turkey, and, in addition, Norway, thanked the Joint Inspection Unit for its report on the United Nations system common services at Geneva, which was timely since the Secretary-General's programme for reform of the United Nations provided for the strengthening of those services. When the budget had been adopted, the representative of the European Union, in his statement regarding common support services, had asked that the issue should be considered as a matter of priority in order to ensure maximum cost-effectiveness. The organizations should, however, continue their joint search for enhanced synergy and the achievement of economies of scale by using common services both in Geneva and at other duty stations. In that connection, he referred to the recommendations in the report of the Office of Internal Oversight Services on common services (A/54/157).

49. The European Union hoped that JIU would pursue the matter and invited all the Geneva-based organizations to cooperate with it. It hoped that the lessons learned from the exercise could be disseminated to other headquarters and duty stations.

50. **Mr. Hassan** (Nigeria), speaking on behalf of the Group of 77 and China and supported by **Ms. Silot Bravo** (Cuba), requested that the Committee should continue to consider the two reports of JIU in informal consultations.

51. **Mr. Repasch** (United States of America) asked that the comments of the Director of the Office for Inter-Agency Affairs should be circulated to delegations in writing. With regard to the report on the United Nations system common services at Geneva, he said that JIU should have provided specific examples of the fragmentation and duplication referred to by the inspectors. His delegation was in principle in favour of the establishment of common services, provided that the aim of such an approach was to enhance cost-effectiveness and not to set up new bureaucratic machinery. In approving the system for following up on the reports of JIU proposed by the latter in document A/52/34, the Fifth Committee had taken an important decision, which meant that it should take action separately on each of the recommendations submitted to it. It should therefore do so in the case of the two reports under consideration. His delegation noted that the Economic and Social Council had already taken a position in a resolution on the report concerning ACC. The Chairman of JIU should explain whether the Fifth Committee and other organs should also take a decision on the recommendations contained in the report.

52. **Mr. Fox** (Australia) said that the analysis presented by the inspectors in their report on the United Nations system common services at Geneva was useful, but he was disappointed that they had not proposed more effective measures than the establishment of a new structure and a high-level post in Geneva. Table 4 in the report under consideration clearly showed that the United Nations Office at Geneva was almost entirely without the most elementary management tools. It was therefore doubtful whether the Office was the most effective body to manage the common services. According to the figures given in paragraphs 18 and 95 of the report, the number of staff and the cost of the support services were clearly excessive. The recommendations put forward by the inspectors to remedy the situation were very inadequate, particularly those which consisted in spreading measures out over 10 years. Evidently, JIU had not taken into account the changes which had taken place at other United Nations duty stations and in national civil services. He hoped that, in future, the inspectors would submit more practical recommendations.

53. **Mr. Ouedraogo** (Chairman of the Joint Inspection Unit), replying to the representative of the United States, said that the Economic and Social Council had taken a decision only on the aspects of the report on ACC which concerned it. It would therefore be helpful if the Fifth Committee would take a decision on the other recommendations, in particular on those

relating to budgetary questions, which were within its competence. With regard to the subsidiary organs, the observations of the inspectors relating to the Information Systems Coordination Committee had been taken up by ACABQ and that had led the General Assembly to ask ACC to submit a report to it.

54. **The Chairman** said that the Committee had concluded its general debate on the two reports of the Joint Inspection Unit and that it would continue its consideration of them in informal consultations.

Agenda item 119: Programme budget for the biennium 1998-1999 (*continued*)

Integrated Management Information System
(A/54/7/Add.4 and A/54/474)

55. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the fifth report of the Advisory Committee on Administrative and Budgetary Questions (A/54/7/Add.4), said that, at the time that the Committee had reviewed the eleventh progress report of the Secretary-General on the Integrated Management Information System (IMIS) project (A/54/474), the development of the System had been scheduled to be completed by the end of 1999 and its maintenance to be taken over by the IMIS team. The System had been installed at 11 different sites in eight locations and the completion of its implementation at Headquarters and at offices away from Headquarters had been scheduled for the end of 2000.

56. The Advisory Committee's comments on the implementation of IMIS in peacekeeping operations and in the tribunals were contained in paragraphs 8 to 12 of its report. The Advisory Committee regretted the lack of progress in that objective and requested that vigorous steps should be taken pursuant to General Assembly resolution 53/237. The Advisory Committee had referred to some of the personnel problems on which the Secretariat had reported, in particular the difficulty in recruiting and retaining highly skilled information technology staff. In paragraph 10, the Advisory Committee recommended that the General Assembly should consider the issue of special occupational rates for United Nations staff in the information technology area. The Committee's other recommendations were contained in paragraphs 11 to 15 of its report. It recommended the expeditious implementation of IMIS in peacekeeping operations and in the tribunals and the establishment of a pilot project in a peacekeeping mission. An information technology strategy should also be formulated as a matter of urgency and, after the full implementation of IMIS, the Secretary-General should submit a final report on the subject. The Advisory Committee recommended that, subject to the observations he had just made, the General Assembly should take note of the eleventh progress report of the Secretary-General on IMIS.

57. **Mr. Niwa** (Assistant Secretary-General for Central Support Services), introducing the eleventh progress report of the Secretary-General on the Integrated Management Information System (IMIS) (A/54/474), said that the next progress report would be issued at the end of 2000 and that in 2001 the Secretariat would submit a final comprehensive report, as suggested by ACABQ. Despite the enormous difficulties that had been encountered in the development and installation of the system, and although the Organization might still have to face further problems, the completion of the project was in sight and IMIS was already being used for many administrative functions. There were plans to improve the system further and, in particular, to develop remote accessing facilities. He observed that, during the execution of the project, more attention had been paid to the difficulties encountered than to the achievements; the fact remained that the introduction of IMIS represented enormous progress for the administration of the Organization. In 2000 and 2001, the activities would consist in completing the installation of the payroll Release at Headquarters and the installation of IMIS at the main Offices away from Headquarters. Unprecedented efforts had been made to ensure that all duty stations benefited from the same facilities as Headquarters for their daily administrative work.

58. The report of the Secretary-General described the enormous progress that had been achieved between the end of 1998 and October 1999, thanks to an enormous effort on the part of all concerned. The installation of the payroll Release and Release 3 had encountered some minor slippage, owing to a lack of experienced staff and the cautious approach adopted. In the case of Release 3, the results had been very encouraging at the United Nations Office at Vienna and the Economic and Social Council for Western Asia, and, in Geneva, more than 500 staff members were being trained in

preparation for its forthcoming installation. As for Release 4, the testing was near completion.

59. At the current stage of the execution of the project as a whole, he did not anticipate any major difficulties and the costs should not exceed the estimates set out in the tenth report, which had been approved by the General Assembly. The Secretariat thanked the Fifth Committee for the confidence and support accorded to it in connection with the project, which had been a far greater task than had initially been envisaged. The project had provided an opportunity to study in depth and streamline the majority of the administrative procedures.

60. **Mr. Ramos** (Portugal), speaking on behalf of the European Union, the associated countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovenia and Turkey, and, in addition, Norway, said that the European Union attached the utmost importance to IMIS. It welcomed the installation of Releases 2 and 3 and the increased utilization at all duty stations. It hoped that the installation of Release 4 at the duty stations away from Headquarters would be completed by 31 December 2000, as indicated (A/54/474, para. 18). It commended the Secretary-General on the discipline with which the project had been managed and expected that the budget approved by the General Assembly would not be exceeded. Lastly, it concurred with the request of ACABQ that the next report of the Secretary-General should provide information on the development of the system for field missions and the tribunals.

61. **Mr. Repasch** (United States of America) said that his delegation, which had at times associated itself with the criticism levelled at the Secretariat with regard to IMIS, wished to commend the Secretariat on its achievements. In IMIS, the United Nations had a modern management tool that would provide it with the data necessary to take decisions and help to enhance the effectiveness of its work.

62. Noting from paragraph 12 of document A/54/474 that highly skilled staff members travelled to duty stations away from Headquarters to review local processes, he asked whether those missions had helped to simplify the procedures and increase productivity. If so, his delegation would like to have some examples of the measures adopted. Moreover, it would like to know what the situation was with regard to the installation of Release 4, which was scheduled for the first quarter of 2000 (para. 15) and what was the cost of making the legacy payroll systems at all duty stations year 2000 compliant (para. 18). It was stated in paragraph 23 that other organizations were using IMIS and his delegation would like to know what stage they were at. It would also like clarification concerning the difficulties encountered in the installation of IMIS in peacekeeping missions (para. 26). Having made those comments, his delegation was prepared to take note of the report. With regard to the presentation of the report of the Advisory Committee, he requested that in future ACABQ should make its conclusions and recommendations stand out, following the same rules as other organs and the Secretariat.

63. **Mr. Hassan** (Nigeria), speaking on behalf of the Group of 77 and China, said it was important to complete the installation of IMIS, a project on which the Organization had already spent a great deal of money. He reserved the right to revert to the question at a later date and said he agreed with the Advisory Committee that the report of the Secretary-General should have been clearer and more concise.

64. **Mr. Yamagiwa** (Japan) said that, in his view, the issue of special occupational rates for United Nations staff in the area of information technology (A/54/7/Add.4, annex II), which had been raised by the Chairman of the Advisory Committee, should be given serious consideration by the Fifth Committee, but that it should be considered under another agenda item.

65. **Mr. Park Hae-yun** (Republic of Korea) noted the progress that had been made in the installation of IMIS, but said he hoped that the Secretary-General would expedite the installation of the system in peacekeeping missions and in the tribunals. He feared that the lack of coordination in the area of the financial and administrative applications might lead to unnecessary expenditures and would like to know what measures the Secretariat could take to remedy the situation.

66. **Ms. Archini** (Italy) supported the position of the European Union but asked for clarification regarding the merger — apparently envisaged in the year 2000 — of IMIS with the Information Technology Services Division with a view to improving the functioning of the Organization (A/54/474, para. 24).

67. **Mr. Niwa** (Assistant Secretary-General for Central Support Services) said that the installation of IMIS in peacekeeping missions and in the tribunals was

a priority in the eyes of the Secretariat. That, however, required experienced staff and the Secretariat preferred to complete the implementation of the Releases and the main part of the project. The installation of Release 4 should be completed in the Secretariat in August 2000 and at duty stations away from Headquarters in August 2001. The installation of Release 3 should be completed in March 2000, including at the United Nations Office at Geneva, the Economic Commission for Latin America and the Caribbean (ECLAC), the Economic Commission for Africa, the United Nations Office at Nairobi and the Economic and Social Commission for Asia and the Pacific (ESCAP). The extension of the system to peacekeeping operations and the tribunals would then be undertaken during the second half of 2000.

68. Replying to a question put by the representative of the United States, he said that the Secretariat had indeed undertaken to streamline the business processes and he offered to give him some examples. With regard to the cost of making the legacy payroll systems year 2000 compliant, he said that he did not have the exact figures with him but that the costs would in any event have been incurred for various technical reasons.

69. With regard to the introduction of IMIS in the United Nations Development Programme (UNDP) and other organizations, he said that UNDP had been able to use Releases 1 and 2 for some time and Release 3 since January 1999. The United Nations Children's Fund was using Releases 1 and 2. As for the creation of a common service to manage IMIS, he said that, with the help of a consultant, the Secretariat had put forward a proposal which had received the support of all the organizations concerned. In that connection, he said that UNDP, in particular, which was responsible for the United Nations Population Fund (UNFPA) and the United Nations Office for Project Services (UNOPS), was a member of the Steering Committee and was therefore fully associated with all the decisions concerning IMIS. Moreover, with a view to providing the best possible service to users, he was preparing to appoint a special Task Force on Common Services in order, *inter alia*, to develop a governance framework for IMIS and to work out arrangements for the sharing of costs.

70. In response to the question put by the representative of the Republic of Korea concerning the lack of coordination, he explained that the organizations followed different business processes depending on their method of financing and the accountability obligations to which they were subject. One of the reasons for the creation of a common service was that it would provide an opportunity to study the procedures of other organizations and to seek areas in which harmonization was possible. For example, efforts were being made to harmonize the administrative processing of home leave.

71. **Mr. Repasch** (United States of America) said that he had simply asked what was the cost of making the legacy payroll systems year 2000 compliant. However, since the Assistant Secretary-General had raised the question, he would also like to know to what extent the need to make the systems year 2000 compliant had not been foreseen since it had been thought that IMIS would be in service in time (A/54/474, para. 18).

72. **Mr. Park Hae-yun** (Republic of Korea) said that his delegation had been referring to paragraph 15 of the report of the Advisory Committee (A/54/7/Add.4), and more specifically to the fact that it appeared that each agency was continuing to develop its own system. He asked what measures were planned to coordinate the utilization of the administrative and financial applications of the various systems.

73. **Mr. Niwa** (Assistant Secretary-General for Central Support Services), referring to paragraph 15 of the report of the Advisory Committee, said that coordination was indeed indispensable but that one had to wonder why all the organizations did not adopt IMIS. He believed that the situation could be explained by the poor image which IMIS had, as well as the fact that the costs had been much higher than had been foreseen, even though in the end they had been lower than the sums devoted by the private sector or other public agencies to that type of investment. Moreover, private companies had put on the market management systems which had not existed when the Secretariat had begun to install IMIS and some organizations had preferred to opt for that software. Since it did not have the necessary resources, the Secretariat could not organize campaigns to market IMIS.

74. On the question of making legacy systems year 2000 compliant, he said that the Secretariat had indeed believed that IMIS would be ready in time. It had nevertheless proceeded to carry out the operation as a precaution.

75. **The Chairman** said she believed that the Committee wished to conclude the general debate on

agenda item 119, on the understanding that the consideration of the item would continue in informal consultations.

Other matters

76. **Mr. Nakkari** (Syrian Arab Republic) said that the Secretariat had not yet replied to the questions raised by his delegation concerning the cafeteria.

77. **Mr. Niwa** (Assistant Secretary-General for Central Support Services) said that in principle the cafeteria was open until 8 p.m., but that at busy times it could close later. As for the Viennese Café, it normally closed at 5.30 p.m. but could remain open later if the secretariat of a committee so requested. In accordance with the wishes of delegations, the concessionary company would be asked to consider the possibility of bringing the times those facilities were open into line with the times of meetings.

The meeting rose at 1.10 p.m.